

**Minutes
Windsor Town Council Meeting
Town Hall
May 26, 2009**

The Windsor Town Council met in called session on Tuesday, May 26, 2009 at 7:00 p.m. in the Council Chamber of the Windsor Town Hall, Windsor, Virginia. Mayor Marvin A. Crocker, Jr. was present, and he called the meeting to order. He welcomed those who were present. He asked for anyone with cell phones to please turn them off. He asked the clerk to call the roll. Terry Whitehead, Town Deputy Clerk, recorded the minutes. John L. Rowe, Jr., Interim Town Manager, Police Chief Robert Porti, Michael Stallings, Assistant Town Manager/Planning and Zoning Administrator, and Joshua Pretlow, Jr., Town Attorney were present.

Council members present: Wesley F. Garriss
J. Clinton Bryant
William L. Jones
Durwood V. Scott
Carita J. Richardson

Council member absent: Greg Willis

Mayor Crocker said Councilman Willis was unable to attend tonight's meeting due to a death in his family. Mayor Crocker asked Councilman Scott to give the invocation, and to remember Councilman Willis's family in their time of sorrow. Councilman Scott gave the invocation.

Mayor Crocker said the Town has two public hearings. He said the first public hearing is to receive the comments of interested citizens and organizations concerning the formulation and preparation of a proposed capital improvements plan for the Fiscal Years 2009-2010 through 2013-2014 for the Town of Windsor, Virginia. The Town of Windsor's capital improvements plan encompasses contemplated expenditures by the Town of Windsor for improvements to sidewalks, public buildings, public streets, public lands, public utilities, public services or public safety during this five-year period.

Mayor Crocker asked the Town Attorney if the Town had properly advertised this public hearing. Mr. Pretlow said yes, the Town had properly advertised the public hearing.

Mayor Crocker asked the Interim Town Manager if he had any comments. Mr. Rowe said he did not, but he would be glad to answer any questions.

Mayor Crocker opened the public hearing, and asked for any persons wishing to speak in favor of the capital improvements plan to come forward, and there were

none. Mayor Crocker asked for any persons in opposition of the capital improvements plan to come forward.

Ms. Kim Gore, 11131 Old Suffolk Road, said she feels that some of the Council members do not have the best interest of the citizens at hand. She said the residents of Old Suffolk Road have not been told the whole truth regarding the water lines being run. She said she does not know how much it is going to cost to connect to the water lines, how much of a minimum payment there will be, and why the water customers have to pay a minimum water bill. Ms. Gore asked if sewage would be included, and how much it would cost to have a plumber connect the line from the road to their houses. She said she has no problems with her water now, and she does not understand why after ten years the Town is so determined to run these water lines down Old Suffolk Road. She said she understands that one of the reasons the Town applied for this loan, and to run the water lines, is to also supply Isle of Wight County with water. She asked why the County couldn't apply for the loan, if this is true. Ms. Gore said as a single mother with two children, one starting college and one with autism, she can not afford this extra expense right now. She said she also has concerns with the way her property is marked for the water line. She said it seems as if she may have to remove trees off her property that she has planted throughout the years. She said with the way the economy is today, people can hardly afford to buy groceries or gas. Ms. Gore said she feels that Council should come to Old Suffolk Road to speak with the residents, because a lot of the residents do not understand what is going on with the water lines, and how much it is going to cost each resident.

Lud (Ren) L. Spivey, 18 B Avenue, said if he understands the matter correctly, the Town is considering installing a new well at a cost of about \$400,000, plus engineering costs. He said this is necessary. He said he also understands that the Town is also considering installation of water lines to some annexed areas such as Joyner Town Lane and Old Suffolk Road at an additional cost of \$542,000, not including engineering costs. Mr. Spivey said these costs taken together would amount to around \$1,300,000. He said this is a tremendous amount of debt for a Town our size, especially in these economic times.

Mr. Spivey said he recently read in a newspaper that Windsor water rates will soon rise again. He said his last water bill was for approximately 11,000 gallons, and the bill was approximately \$51.00. He said that last year for the same two month period, his water bill was \$31.00 for 12,000 and some gallons. He said he used less water this year than last year, but his bill went up 66%.

Mr. Spivey said some have stated that since water rates increased, some citizens have cut back on the use of Town water, and income has reduced. He said if one uses the same logic, then raising water rates again would further reduce usage, so the Town's water revenues will further be reduced.

Mr. Spivey said his last concern was that he strongly feels there should be a differential rate for water usage between any residential customer and any commercial customer. He said those who use water to make a profit should pay more for using Town water. He said citizens should not subsidize those running businesses for profit by paying the same rate for water as those businesses.

Mr. Spivey said he called several other localities and compared their water rates to Windsor's. He reviewed the different rates with Council.

Mr. Spivey said he appreciates Council's consideration of his concerns, and he thanks each of them individually and collectively for their true efforts to spend all of Windsor's money wisely.

Mayor Crocker closed the public hearing. He said it is now open for discussion among Council.

Mr. Rowe made a recommendation to proceed with the next public hearing because they are so intertwined, and then Council could have discussion on both the proposed Capital Improvements Plan and the proposed budgets. By nod of head, Council agreed to proceed with the next public hearing.

Mayor Crocker said the next public hearing is to consider the proposed budgets for the Town of Windsor, Virginia for the fiscal year July 1, 2009 through June 30, 2010.

Mayor Crocker asked the Town Attorney if the Town had properly advertised this public hearing. Mr. Pretlow said yes, the Town had properly advertised this public hearing.

Mayor Crocker opened the public hearing, and he asked for any persons wishing to speak in favor of the proposed budgets to come forward, and there were none. Mayor Crocker asked for any persons in opposition of the proposed budgets to come forward.

Mr. Macon Edwards, 16 Virginia Avenue, said he had reviewed the proposed budget, and it stated the proposed operating budget did not increase expenditures over the current fiscal year, but the advertisement in the paper shows it is increasing by \$135,000. He said that is approximately a 10% increase. He said he did not understand why rent was \$24,000 last year and \$18,000 this year. He said the current year's budget projects fine revenues at \$120,000 last year, and the proposed budget projects \$75,000 for the next fiscal year. Mr. Edwards said he did not understand why miscellaneous revenues are showing an increase. He said he knew in the past the water budget and cemetery budget were broken down separately, so that may be the reason for some of the increase. Mr. Edwards said that General Government under the expenditures in the paper shows \$232,000 for last year and \$344,000 for this

year. He said that was about a 48% increase. He said public works is going up \$54,000, which is approximately 35%. Mr. Edwards said the economy is tight, and a lot of people live on fixed incomes in Windsor. He stated that he is concerned why the budget is going up 10.3%.

Mr. Edwards said the minimum water rate went up about 50% for the current fiscal year. He said based on his latest usage of 7000 gallons, his water bill will increase by approximately 31% with the proposed new rates. He said that will be about an 80% increase in the water bill in the last two years. Mr. Edwards said he is not sure where the 3,500 minimum usage has come from.

Mr. Edwards said his main concern is that the Town has to look at the overall budget, and the Town may need to postpone some projects. He said that the construction of a new well is a necessity, but the Town could postpone the water lines until there is growth in Town that can offset some of the costs.

Mayor Crocker closed the public hearing. He said the capital improvements plan and the proposed budgets are now open for discussion among Council.

Mr. Rowe said he is not recommending that Council take any action on any resolutions or ordinances at this meeting. He said that these budget related ordinances and resolutions will be on Council's next agenda in June. Mayor Crocker asked the Council members for their consensus on waiting to take action at the next meeting in June. By nod of head, Council agreed.

Mr. Rowe said he had a standing invitation to Council and to the public to meet with him or to call him any time, even after 5:00 p.m., with questions regarding the budget or the capital improvements plan. He invited anyone who has questions about the proposed Capital Improvements Plan and proposed budgets to meet with him at any time to discuss the same.

Councilwoman Richardson asked if the Town Manager could answer some of the questions that the citizens had asked.

Mr. Rowe said the proposed 2009-2010 General Fund budget is 5% less than the 2008-2009 budget. He said the 2009-2010 proposed budget is \$65,380 less than the budget for the current fiscal year, 2008-2009. He said when one takes out the stimulus money, which is \$65,000; the 2009-2010 is \$130,380 less than the current year's budget, the 2008-2009 budget. He said the Town will spend less money in 2009-2010 than we are this year. Mr. Rowe said \$101,889 of the \$130,000 comes from the capital improvements portion of the proposed budget. He said for transparency sake, the proposed budget puts all the salaries in the general fund budget. He said he and his staff have a formula that then allocates each Town employee's salary and benefits among the various funds. He said the General Fund budget contains a "charge back" to the budgets of the Cemetery Fund and Water Fund for those salaries expenses for those two funds.

He explained that this shows up as an expense item in the budget for that particular fund and as a revenue item in the General Fund. Mr. Rowe said that is why that it appears that the General Fund will spend more money in 2009-2010; however, because the proposed budget shows the total amount of the salary costs in one place, the budget is easier to read and the Town fully discloses to the reader the full salary cost in one place, the General Fund. He summarized that when one nets everything out of the General Fund budget; the 2009-2010 General Fund budget will spend less money than the 2008-2009 General Fund budget.

Mayor Crocker said that Mr. Spivey compared water rates to several localities, but staff has compared rates to even more locations. Mayor Crocker asked Mr. Rowe if he would like to comment.

Mr. Rowe said Draper Aden, which is an engineering firm headquartered in Virginia, has been doing a sophisticated water survey for the past twenty years. He said that Draper Aden's most recent survey contains 164 respondents from owners of public water systems in Virginia; he said that 47% of the respondents were towns. He said the proposed water rate is slightly above the average rate in the survey. He said if one wants a lower water rate, then the Town will have to take money out of the expenditure side of the budget. He said he and his staff have cut the proposed 2009-2010 Water Fund budget down to the quick.

Mayor Crocker asked Mr. Rowe if he could discuss the decrease in fines that Mr. Edwards asked about.

Mr. Rowe said one has to look at fines in terms of convictions by the Court. He said it is not a matter of writing less tickets, the question is whether or not the Court is convicting those charged with violations. He said that is something we do not control. Mr. Rowe said we do not have laws on the books to generate revenues; he said the Town enforces traffic laws for traffic safety.

Mr. Rowe said there are two rental properties in the General Fund budget for Fiscal Year 2008-2009; however, the proposed 2009-2010 General Fund budget only has one rental property, the post office.

Councilwoman Richardson said she would like to thank Mr. Rowe for doing a really good job with the budget, and making cut backs for Fiscal Year 2009-2010. She said he has cut the water fund back to the bare bones, except for the two capital projects. She said she has been calling for a budget to be done in this format for a couple of years, because it is much more transparent.

Councilwoman Richardson said that her one major concern is in the water fund with the two capital projects, the well and water extension lines. She said the new well is needed, and she would like to do the water extension lines, because that was promised to the annexed area. She said that she is concerned about

the current economic climate, and the problem that a lot of people are having with money at this time. She said our revenues are going down, and we have businesses that are closing in Town.

Councilwoman Richardson said she went to a seminar in Richmond on budgeting during this crisis time. She said that almost all of the financial experts advise towns and cities not take on any capital projects that are not an absolute necessity because no one knows what the economy is going to do. She said she does have a concern undertaking the water line extension in Fiscal Year 2009-2010. She said that she is also concerned about the Town's water rate.

Councilwoman Richardson said that Council raised the water rates last year looking to do the two major projects. She said that the Town was surprised that it did not get the revenue it expected from the rate increase because water customers cut back on water consumption and money. She said that this reduction in revenue does not bother the Town a great deal this current Fiscal Year 2008-2009 because the Town has not started the construction of these projects. She said the Town is getting ready to consider a new water rate schedule, which Council needs to do, because the one instituted before has not worked out. She said she has heard water customers commenting that if the Town increases water rates, then the customers will have to put in a shallow well, stop washing cars, or watering gardens. She said that people in these tough economic times may cut back even more, if their water bill is increased. She said if the Town undertakes the construction of these two projects and commit itself to another \$1,300,000 in debt, and if the new water rates do not work out as anticipated in 2009-2010, then the Town could be in a serious financial situation.

Councilwoman Richardson said she would like to see Council work out a water rate that Council feels that the water customers can live with at this time. She said she would like for the Town to delay the water extension line for a year or two, and see what the economy does.

Councilwoman Richardson said she is also concerned that the proposed 2009-2010 Water Fund budget only funds depreciation at \$10,000. She said that the Town has a great amount of aging water lines inside the old part of Town. She said one never knows when the Town may have to do some major replacement of those lines. She said if the Town only funds this small amount of depreciation in 2009-2010, then the Town will have to increase the water rates even more in the future and this concerns her. She said she hopes Council will keep this in mind, when considering taking on both of these projects in this fiscal year coming up.

Councilman Garris said over the years he has taken pride in Windsor's water rates being so low. He said he has spoken with people in other localities with water bills as high as \$30.00 a month, and Windsor's stayed \$16.00 every two months. He said he has always felt that the water should sustain itself from its

own revenues and that the General Fund should not subsidize the Water Fund. He said he does not think Council should raise taxes to pay for the water system. He said he has asked the same question for the past ten years; that is, what does it cost the Town of Windsor to produce a gallon of water. Councilman Garriss said he never got an answer until Mr. Rowe gave Council figures earlier this year. He said he hates for the water rates to go up, because his goes up just like everyone else's. He said a 3,500 gallon minimum will help the person who lives alone. He said he dislikes the situation we are in, but he feels like Council needs to set the rate where it needs to be to sustain the water system. He said he agrees with Councilwoman Richardson that we need to fund depreciation more, but he knows we can't do it all at one time.

Councilman Garriss said he thinks we should do the water line extension now, or not plan on doing it for the next ten years, because now is the time to get the best price on construction projects. He suggested surveying the residents on Old Suffolk Road, and if they do not want the line or they do not need it, then the Town should not plan on doing the project at all.

Councilman Jones said it has been a mistake trying to keep the water rates so low for such a long period of time. He said Council should have increased water rates a little at a time each year. He said Council was trying to help young families, families with low incomes, and senior citizens, and now it has had a reverse impact on the Town. Councilman Jones discussed the expenses that come out of the water fund. Councilman Jones said that Mr. Rowe, Mr. Stallings, and staff have done an excellent job preparing this budget.

Councilman Scott said there was a great amount of discussion in 2002 when the Town extended water lines on Lovers Lane. He said some citizens were not in favor of the extension of those water lines. He said he spoke in favor of having the lines run at that time mainly because it was partially funded by a grant. He said the Town received half the money to extend the lines, and it made sense to extend them then. He agreed that the Town should have increased the water rates a little at a time throughout the years. Councilman Scott said that he felt that the construction of the new well is a necessity at this time. He said he understands it may be a good time to extend the water lines now because some contractors are bidding jobs under cost, but he also understands the concerns of the citizens. He said it may be cheaper to do the water lines now, but if the Town cannot afford it, then Council needs to also take this into consideration. He said he understands that the Town cannot accept part of the loan just for the well, and not do the water lines. He said the decision will have to be made to go with this loan, or look at getting another loan for the well; which means starting all over again. Councilman Scott said he encourages the citizens of the Town to come and speak with Mr. Rowe, because he can answer any questions they may have.

Mayor Crocker said if the water lines do go down Old Suffolk Road, there will be no water from that line going to Isle of Wight. He said the County does have a 16

inch line going to the industrial park. He said the Town signed an annexation agreement in 2001, and the Town has a moral obligation to have these projects completed in ten years. Mayor Crocker said that he thinks the projects should be seen through, not only for the sake of the Town, but also for the Town's agreement with Isle of Wight County. He said the Town is going to grow in the future, and it is the responsibility of this Council, and Councils to come, as to how well it is managed.

Vice-Mayor Jones made a motion to continue the Council meeting to Tuesday, June 9, 2009 at 7:00 p.m. Councilwoman Richardson seconded, and Council unanimously passed the motion as recorded on the attached chart as motion #1. The meeting adjourned at 7:55 p.m.

Marvin A. Crocker, Jr.
Mayor

Terry Whitehead
Deputy Town Clerk